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The New Partnership for Africa's Development: progress in implementation and international support

The New Partnership for Africa's Development: first consolidated report on progress in implementation and international support

Report of the Secretary-General**

Summary

The present report has been prepared in response to General Assembly resolution 57/7 of 4 November 2002, in which the Assembly requested the Secretary-General to submit the first consolidated report on the implementation of the resolution at its fifty-eighth session, and urged the international community and the United Nations system to organize support for African countries in accordance with the principles, objectives and priorities of the New Partnership for Africa's Development. The report highlights the actions taken by African countries in the implementation of the Partnership as well as support by the international community, including the United Nations system and the response of the private sector and the civil society. Africa's ownership and leadership of the Partnership represent an important and welcome reassertion of the principle of responsibility for its development. The international community's support is an important expression of international solidarity and partnership. Together, the principles of responsibility, solidarity and partnership are a formula for success. Even so, African countries and the international community must persevere and work together to build on the incipient momentum for the New Partnership for Africa's Development and to deliver on its promise.

* A/58/150.

** The delay by a few days in submitting this report arose from the lag in obtaining the comments from various entities of the United Nations system.

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I. Introduction

1. In its resolution 57/2 of 16 September 2002, entitled "United Nations Declaration on the New Partnership for Africa's Development", the General Assembly welcomed the New Partnership for Africa's Development (NEPAD)[1] as an African-Union-led, -owned and -managed initiative and affirmed that international support for its implementation was essential.

2. In its resolution 57/7 of 4 November 2002, the General Assembly brought to a close the United Nations New Agenda for the Development of Africa in the 1990s and urged the international community and the United Nations system to organize support for African countries in accordance with the principles, objectives and priorities of the New Partnership for Africa's Development. In the same resolution, the General Assembly decided to include a single, comprehensive item on the development of Africa, entitled "New Partnership for Africa's Development: progress in implementation and international support" in the annual agenda of the General Assembly, and requested the Secretary-General to submit the first consolidated report on the implementation of the resolution to the fifty-eighth session of the General Assembly on the basis of inputs from Governments, organizations of the United Nations system and other stakeholders in the New Partnership such as the private sector and civil society.

3. Furthermore, in its resolution 57/297 of 20 December 2002, the General Assembly also brought to a close the Second Industrial Development Decade for Africa and requested the Secretary-General to include the topic of industrialization in Africa in his consolidated annual report to the General Assembly on the implementation of the New Partnership for Africa's Development.

4. The present report highlights areas of progress and identifies challenges and constraints in the implementation of and international support for the New Partnership. The report was compiled from information provided by the NEPAD secretariat and from information and data generated from responses to questionnaires sent to Member States and agencies and organizations of the United Nations system. The report also drew on ideas and suggestions that have emerged from meetings on NEPAD organized by or with the participation of private sector and civil society groups during the past year.

II. Actions by African countries

5. In its resolution 57/7, the General Assembly welcomed the commitment of African countries to integrate the priorities of the New Partnership for Africa's Development into their national policies and development planning frameworks, to maintain full ownership and leadership in developing and utilizing such policies and frameworks, and to mobilize domestic resources in support of NEPAD. It also welcomed their commitment to peace, security, democracy, good governance, human rights and sound economic management, including efforts to develop further the African peer review mechanism. The General Assembly recognized the importance of establishing national focal points for the New Partnership within the government structures of African countries, emphasized the need to build and strengthen human and institutional capacities, encouraged the integration of the priorities and objectives of the New Partnership in the regional and subregional economic

communities and also encouraged the effort to involve the private sector and civil society, including women, in all aspects of the implementation of NEPAD.

Progress

6. Seeking to strengthen the incipient momentum on the New Partnership for Africa's Development, the second ordinary session of the Assembly of the Heads of State and Government of the African Union (AU), held in Maputo from 10 to 12 July 2003, was convened under the theme of ensuring the implementation of the New Partnership for Africa's Development. The deliberations on NEPAD were preceded by a progress report by the Chairperson of the NEPAD Heads of State and Government Implementation Committee (HSGIC) and culminated in the adoption by the summit of a declaration on the implementation of the New Partnership for Africa's Development.[2]

7. The progress made in moving NEPAD forward in various areas in the past year is detailed herein. Progress in the priority areas of NEPAD is at different stages.

Governance, peace and security

8. The African Peer Review Mechanism has been established, and sixteen countries had acceded to the Mechanism as of July 2003.[3] It is expected that reviews of up to four countries will begin before the end of 2003. The Mechanism is fundamental to the implementation of the NEPAD priorities of political, economic and corporate governance, a central element in strengthening Africa's ownership of NEPAD and a means of attracting support from development partners. It is a mutually agreed instrument voluntarily acceded to by the member States of the African Union, as an African self-monitoring, peer-review and peer-learning mechanism. Countries wishing to join the Mechanism are required to subscribe to the Declaration on Democracy, Political, Economic and Corporate Governance, sign the Memorandum of Understanding on the African Peer Review Mechanism and deposit the instrument with the NEPAD secretariat.

9. Perhaps the most innovative feature of the Mechanism is that it provides the means to monitor progress towards good economic and political governance in Africa. Its primary purpose is to foster the adoption of policies, standards and practices that lead to political stability and economic growth. Participating countries agree to cooperate and assist each other, share best practices, identify shortcomings to be addressed and accept the exercise of dialogue and persuasion, where necessary, to encourage improvements in country policies and practices. The link between the African Peer Review Mechanism and development is that it will foster good governance, which is a prerequisite for sustained growth.

10. The African Peer Review Mechanism has a governance structure that consists of the committee of participating Heads of State and Government (African peer review forum); the panel of eminent persons[4] (African peer review panel) which is appointed by the forum and entrusted with the responsibility to oversee the review process to ensure its integrity and to consider and review reports and make recommendations to the forum; the African Peer Review Mechanism secretariat, which will provide the secretarial, technical coordination and administrative support for the Mechanism; and the country review team, which will be appointed to visit

the country to review progress and make technical assessments. The conduct of a thorough and technically sound assessment will be demanding, both in terms of the time required and of the need to ensure sound and rigorous analysis built on national ownership. It is essential that technical assessments be conducted prior to the team visits and that they, to the extent possible, make use of ongoing research and work undertaken by partner institutions. In this regard, the work of the Economic Commission for Africa (ECA) on assessing and monitoring governance could be useful.

11. The responsibility for technical assessments for the peer reviews has been assigned as follows: Economic Commission for Africa, for economic governance and management; African Development Bank, for banking and financial standards; and various organs of the AU, for assessments in specific areas of democracy and political governance. One of the institutional vehicles that the AU will use in the technical assessment in political governance is the Conference on Security, Stability Development and Cooperation in Africa, which has a unit located at the Commission of the African Union.

12. The African Peer Review Mechanism will be based on a number of indicators encompassing four areas: democracy and political governance; economic governance and management; corporate governance; and socio-economic development. The peer review will be conducted in five stages. The first stage will entail an analysis of the governance and development environment in the country to be reviewed; the second stage will be a visit to the country by the panel of eminent persons' review mission; the third is the preparation of the mission findings and discussion of the draft report with the representatives of the Government of the country being reviewed; the fourth is the discussion and consideration of the findings by the Heads of State and Government of the participating countries; and the final stage involves the public presentation of the review reports.

13. As well as making progress on the African Peer Review Mechanism, the African Union has intensified its effort to consolidate democracy on the continent and strengthen regional mechanisms for conflict prevention, resolution and management. For example, the AU is taking steps to establish a Pan-African Parliament to ensure the effective and full participation of African peoples in the development and integration of the continent. Twelve countries have ratified the protocol thus far, but a total of 24 ratifications are necessary for the protocol to enter into force, which hopefully would be achieved by the end of the year.

14. Moreover, there are ongoing efforts to operationalize the Protocol relating to the Establishment of the Peace and Security Council of the African Union, which was approved by the first ordinary session of the Assembly of Heads of State and Government of the African Union at its summit in Durban in July 2002. The protocol has garnered twelve out of the minimum of 15 ratifications required to enter into force. The Maputo summit of the African Union urged countries that have not ratified the protocol to do so before the end of the year and also requested the Commission of the African Union to conduct further consultations with all stakeholders, including ministers responsible for defence and security, with a view to finalizing the policy document and presenting it for consideration to the next session of the summit. It is expected that those efforts would culminate in the establishment of a common African defence and security policy and an African peace and security council.

15. A parallel effort relates to the development of a plan of action to enhance African capabilities to undertake peace support operations. This joint plan with the Group of Eight countries aims to mobilize technical and financial support to establish, equip and train by 2010 a coherent multinational and multidisciplinary standby brigade with the capability of effectively managing and resolving conflicts in Africa.

National focal points for the New Partnership for Africa's Development

16. Several African countries have taken steps to create a national focal point for the New Partnership for Africa's Development. There is considerable diversity in the institutional arrangements for the national focal points. Four models are discernible: the national focal point is (a) located in the office of or reports directly to the President; (b) constituted as an inter-ministerial or interdepartmental committee in the ministry of foreign affairs; (c) located in the ministry of finance and planning; or (d) located in the ministry of regional integration/NEPAD. These institutional arrangements show that African countries have wisely decided to designate existing departments of Governments to serve as focal points, thus conserving scarce financial and institutional resources and greatly minimizing the problem of internal coordination in the implementation of NEPAD. No conclusion can be drawn at this stage regarding which of the arrangements will produce better results. However, critical to the efficacy of each arrangement will be the amount of authority the national focal point wields within the government structure, the focal point's resource endowment and the policy and analytical skills as well as the organizational and operational competencies of its staff. Moreover, many countries are likely to face a challenging period of adjustment in making the focal points function as intended.

Regional economic communities

17. The regional economic communities, as vehicles for regional development and integration, are well placed to take on the tasks of implementing the subregional dimensions of NEPAD programmes. Work has begun on reorienting the activities of the regional communities to reflect the priorities of NEPAD in their work programmes. Various communities organized summits and workshops in their subregions to identify their roles in the implementation of the New Partnership for Africa's Development. An important outcome of those meetings was the decision to have the regional economic communities play a leading role in the implementation of infrastructure projects at subregional levels. They were also actively involved in the articulation of the plan for comprehensive African agricultural development. To strengthen the role of the regional economic communities in the implementation of NEPAD programmes and projects in their respective regions, the Heads of State and Government Implementation Committee has stressed the need for close collaboration between the personal representatives of the Committee and the regional economic communities.

Agriculture

18. At a time when a number of African countries are gripped by food insecurity, reflected in recurring episodes of food shortages, famine and hunger, considerable importance has been attached to articulating a plan for comprehensive African agricultural development, which has now been completed. The plan will form the basis for detailed cost analyses of country- and region-specific projects for implementation. The projects and programmes address interventions to improve food security on the continent. The regional economic communities were actively involved in drawing up the plan, in the preparation of project documents and in consultations on a subregional basis.

Health

19. The preparation of the NEPAD health programme has been completed, and it is being implemented at both national and subregional levels. The programme strategy recognizes the broader socio-economic and political factors that are at the root of much of the ill health on the continent and emphasizes the contribution of other strategies in NEPAD to addressing broader issues that are undermining health. The NEPAD health programme is a medium-term strategy that follows a comprehensive, integrated approach to addressing the disease burden of Africa. It gives priority to strengthening health systems and services in order to provide equitable health care built on evidence-based public health practice. It calls for development partners to contribute to the 22 billion United States dollars ($) required annually to enable Africa to reach internationally agreed targets. The health programme is now in the implementation phase and is being popularized along with the plan of action of implementation.

20. The New Partnership for Africa's Development, in view of the unprecedented challenge that the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) poses to economic and social development, is working with the Joint United Nations Programme on HIV/AIDS (UNAIDS) to prepare a multisectoral AIDS strategy. A number of countries have developed programmes of action to combat HIV/AIDS and other problems. The challenge remains one of securing effective management of and funding for the initial programme of action. Consequently, African countries are being called upon to expand their budgets on health to reach the target of 15 per cent established in the Abuja Declaration on HIV/AIDS, Tuberculosis and Other Related Infectious Diseases adopted on 27 April 2001.

Education

21. The quality of education in Africa has continued to deteriorate. That, coupled with the "brain drain", remains a serious challenge. The NEPAD education programme includes, among others, the Education For All Fast Track Initiative, harmonization of curricula, printing of textbooks and a school feeding programme. NEPAD is working closely with the United Nations Children's Fund (UNICEF), the World Food Programme (WFP), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and other partners to implement the education programme via a task team that is being formed by the NEPAD secretariat. The

programme aims to meet the Millennium Development Goal of universal education for all by 2015 and to develop higher-learning centres of excellence as well as its science and technology platform.

Environment and tourism

22. The New Partnership for Africa's Development, working closely with the African Ministerial Conference on the Environment and the United Nations Environment Programme (UNEP), has developed a full programme on the environment, which was approved by the Heads of State and Government Implementation Committee and endorsed by the second ordinary session of the Assembly of the African Union in Maputo on 10-12 July 2003. The plan covers such areas as combating land degradation, drought and desertification; conserving Africa's wetlands; conservation and sustainable use of marine, coastal and freshwater resources; preventing, controlling and managing invasive species; combating climate change; cross-border conservation and management of natural resources; cross-cutting issues of health and environment; transfer of environmentally sound technologies; and assessment and early warning for natural disasters. Some of the projects have been prioritized and will be submitted to the donor meeting to be held in Algiers during the first week of December 2003, with a view to securing funding for their implementation in early 2004. With regard to tourism, an action plan has been prepared by a task team, which is working closely with the African ministers of tourism to finalize the plan for implementation before the end of 2003.

Infrastructure

23. NEPAD recognizes that infrastructure is an integral part of a comprehensive approach to development. The New Partnership produced a short-term action plan on infrastructure in July 2002, which was approved by the Implementation Committee and endorsed by the first ordinary session of the Assembly of the African Union. NEPAD is now in the process of preparing the terms of reference for its medium- to long-term infrastructure plan. The African Development Bank is the lead agency on NEPAD infrastructure planning and implementation. All projects are categorized under four areas: studies; facilitation; capacity-building; and investment. Preparation of the medium- to long-term plan will be completed in 2004. In the interim, NEPAD has taken its short-term action plan projects to the organized private sector around the world, including the Africa Energy Forum in Lausanne, Switzerland, in June 2003 and the Corporate Council on Africa summit in Washington, D.C. in June 2003. The NEPAD secretariat is working with I^3 (pronounced "I cubed") Executive Dialogue and the Commonwealth Business Council to take the projects to Europe and Asia.

Industrialization

24. Recognizing that industrial growth is essential for sustained economic development and poverty eradication in Africa, the General Assembly, in its resolution 57/297, called upon the international community, including the United

Nations system, to channel its support for Africa's industrialization effort within the framework of the New Partnership for Africa's Development. Many of the actions taken so far or contemplated in the New Partnership would contribute to and advance the process of industrialization, in particular enhancing the manufacturing capacity in Africa. They include, for example, measures aimed at developing human resources; improving economic and corporate governance as well as productive systems; and developing infrastructure, including, in particular, ensuring energy supply. The fifteenth Meeting of the Conference of African Ministers of Industry, held in October 2001, decided that the United Nations Industrial Development Organization (UNIDO) in cooperation with the Economic Commission for Africa and the European Union, should contribute to the relevant objectives of NEPAD through industrial development. In this context four subregional meetings have already been organized in Africa, with a view to identifying sectoral approaches and priorities in order to develop productive capacities and promote access to regional and global markets. Such concepts and the resulting programmes are to be integrated into the NEPAD plan of action.

Challenges and constraints

25. As the implementation of the New Partnership has evolved, a few challenges and constraints have begun to emerge. In particular, in the efforts of African countries to implement NEPAD, four constraints can be identified. The first is the weak link between the Implementation Committee and the regional economic communities. Efforts are being made to ensure that the Heads of State and Government on the Implementation Committee who represent NEPAD in their respective regions become champions of NEPAD. The second constraint is the weak institutional capacity to plan and implement the development programmes at the country and regional levels. The third issue is a lack of sufficient effort in popularizing NEPAD at the country level. This shortcoming should be addressed by effective communication, outreach and mobilization strategies. Yet another constraint is a lack of adequate funding. It is vital, in order to retain African ownership and leadership of NEPAD, that core funding should come from Africa. Such an effort would inspire support from Africa's development partners.

III. Support by the international community

26. The international community was required to take action on a number of policy fronts to help African countries implement the New Partnership for Africa's Development. In particular, the developed countries were requested to make concrete efforts towards achieving the target of 0.7 per cent of their gross national product (GNP) as official development assistance (ODA) to developing countries; to find a durable solution to the problem of external indebtedness of the heavily indebted poor countries in Africa, including through debt cancellation and other arrangements; to improve market access for African exports within the framework of the Doha Ministerial Declaration; to work towards the objective of duty-free and quota-free access for all exports of the least developed countries; to encourage and facilitate investment by their private sectors in Africa, to help African countries to attract investment and promote policies conducive to attracting investment; to channel financial, technical and other types of resources towards the priorities of the

New Partnership, in particular infrastructure development, health services, education, water and agriculture. The importance of South-South cooperation, including triangular cooperation, and the contribution that it can make to implementation of NEPAD was underlined.

Progress

27. Official development assistance to Africa declined throughout the 1990s, falling from $26.62 billion in 1990 to $16.38 billion in 2000. In the past two years, it has witnessed a rebound, increasing from $17.729 billion in 2001 to about $18.615 billion in 2002.[5] The rebound in ODA to Africa reflects the increased pledges made at the International Conference on Financing for Development held in Monterrey, Mexico, in 2002. Giving practical expression to that pledge, the Group of Eight, who already provide three quarters of ODA to Africa,[6] committed themselves in the Africa Action Plan adopted at Kananaskis to directing about $6 billion per year of the estimated increase of $12 billion in ODA by 2006 to African countries that adhere to the rule of law, invest in their own people and undertake policies that spur growth and contribute to poverty reduction. The increased pledges include aid, increasing annually to reach $5 billion of aid per year by 2006, to be provided by the Millennium Challenge Account of the United States of America.[7] The ODA commitments were reaffirmed at the Group of Eight summit held in June 2003 in Evian, France. Beyond the Group of Eight countries, a number of Africa's development partners have continued to devote about 25 per cent and above of their ODA[8] to Africa (e.g., Austria, Belgium, Denmark, Finland, Ireland, Luxembourg, Netherlands, Norway, Portugal, Sweden and Switzerland).

28. Increases in ODA flows to Africa in the past year have been directed to a number of critical sectors, in particular health and education, and within each sector to specific areas. In the health sector, for example, several developed countries made pledges for polio eradication as well as for HIV/AIDS, tuberculosis and malaria through the Global Fund to Fight AIDS, Tuberculosis and Malaria and other multilateral and bilateral programmes. For example, the United States has pledged $15 billion to combat HIV/AIDS in 12 African and two Caribbean countries over the next five years. In the education sector, a number of partner countries have made pledges to the Education for All Fast Track Initiative, with the aim of raising the level of primary school enrolment in countries with very low enrolment rates.

29. Closely related to the increase in the volume of ODA was the effort at improving aid effectiveness. There were several important developments in this area. A number of donor countries took steps to untie their aid, thus giving greater flexibility to recipient countries in terms of diversity of sources of procurement and potentially lowering the cost of goods and services procured. The main categories of untied aid covered balance of payments, debt forgiveness and sector assistance; and investment projects, commodity support, commercial services and assistance to non-governmental organizations.

30. An important development in the area of simplification and harmonization of programming, reporting and disbursement procedures was the Rome Declaration on Harmonization (A/57/763, enclosure). Adopted at a meeting of major bilateral and multilateral development institutions held in Rome from 24 to 25 February 2003, the Declaration provides a framework for and commits participating institutions to

simplifying and harmonizing their requirements and reducing associated costs, while improving fiduciary oversight and public accountability and enhancing focus on concrete development results.[9] African countries should benefit from this harmonization process.

31. Several donor countries made pledges during the past year to meet the estimated shortfall of $1 billion in the Trust Fund for the Heavily Indebted Poor Countries (HIPC) initiative. As of April 2003, seven African countries (Benin, Burkina Faso, Mali, Mauritania, Mozambique, Uganda and the United Republic of Tanzania) had reached the "completion point", where debt is effectively cancelled. Fifteen African countries (Cameroon, Chad, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Madagascar, Malawi, Niger, Rwanda, Sao Tome and Principe, Senegal, Sierra Leone and Zambia) had reached the "decision point", at which actual interim assistance is increased. Cumulative total debt relief committed to these 22 African countries amounts to $32.25 billion.

32. In addition, some HIPC-eligible African countries have benefited from bilateral debt cancellations announced by several donor countries. For example, one African HIPC-eligible country that was indebted to Australia has had its debt forgiven by that country; Canada has committed to forgiving over $1.1 billion in debts owed by 17 heavily indebted poor countries, 14 of which are in Africa; and China has signed debt-cancellation protocols with 31 friendly African countries, cancelling a total of 156 mature debts valued at approximately 1.05 billion yuan and representing around 60 per cent of those countries' mature debt to China. Germany has provided debt relief of $2 billion, of which roughly $1 billion has been for African countries; Italy has pledged to cancel, in the context of the HIPC initiative, roughly $4.5 billion for African countries; Japan has cancelled a debt of approximately $3 billion owed by African countries; Kuwait has reduced the debt for four African countries; and the United Kingdom of Great Britain and Northern Ireland is committed to strengthening Trust Fund financing for the implementation of debt relief and to working with other donors to finance the Trust Fund shortfall for HIPC.

33. There has been a limited positive international policy response in the area of trade, mainly centring on the granting by some developed countries of duty-free and quota-free access to products of African least developed countries. Contributions have been made to the Doha Development Agenda Trust Fund to assist African countries in their trade-related technical capacity-building effort, to help them participate in World Trade Organization trade negotiations and improve compliance with trade agreements. Some developed countries began to show flexibility on agricultural subsidies and other issues. The European Union announced that it would begin to reduce subsidies that increase agricultural production and exports, and the United States offered a plan to trim both agricultural subsidies and tariffs to uniform levels for all countries. The true extent of progress on the issues will be much clearer at the Fifth Ministerial Conference of the World Trade Organization, to be held in Cancun, Mexico, in September 2003.

34. A number of Africa's partner countries took steps to assist the promotion of foreign direct investment in Africa. For example, France and the United Kingdom announced at the World Summit on Sustainable Development in Johannesburg in August 2002 that they would allocate 200 million euros to provide guarantees for infrastructure investment in the least developed countries, the majority of which are

in Africa. The resources would be used to help the eligible countries to develop policies aimed at attracting foreign investment and developing projects in the infrastructure sector. Canada is establishing the Canada Investment Fund for Africa with 100 million Canadian dollars to leverage private sector investments in Africa. Japan has provided overseas investment loans to Japanese companies that invest in Africa in the amount of $200 million. The Government of China has established a special fund to support investment and cooperation in Africa. Russia has provided support and encouragement to Russian enterprises investing in the development of mineral resources, energy and metallurgy in Africa.

35. The trend towards increased economic and technical cooperation between Africa and other developing regions, especially with countries in Asia and Latin America and the Caribbean has continued. Several African countries benefited from the technical capacity-building programmes offered by countries in Latin America and the Caribbean in a wide range of areas including infrastructure (energy and information and communication technologies), agriculture, human resources development (health and education) and environment. Efforts aimed at expanding economic cooperation through increased trade and financial flows are at a formative stage. An additional impetus for cooperation between African and Asian countries, which is already fairly well developed, will come from a number of recent intergovernmental events that have been or will be organized in Asia this year. One is the Asian-African Subregional Organizations Conference, held in Bandung, Indonesia, from 29 to 30 July 2003. The China-Africa Forum II, scheduled for December 2003, and the third Tokyo International Conference on African Development (TICAD III), to be held from September 29 to 2 October 2003, marking the tenth anniversary of the Conference, will provide significant impetus to South-South and triangular cooperation, in addition to further strengthening international support for NEPAD.

Challenges and constraints

36. Although African countries have been major beneficiaries of recent increases in ODA, there is growing recognition that even the raised levels of ODA will not be enough for Africa to meet the Millennium Development Goals. This is disquieting, considering the huge challenge that Africa is confronted with in meeting the goals.[10] Total ODA to Africa is modest in comparison with the huge agricultural subsidies paid to farmers in the developed countries. Furthermore, the subsidies depress commodities prices, hindering Africa's ability to increase exports and escape from poverty and dependence on aid.

37. Despite recent progress in the HIPC initiative, a number of problems persist. Redemption of pledges to the Trust Fund for the Heavily Indebted Poor Countries has been slow. The combination of difficulties encountered in preparing Poverty Reduction Strategy Papers (PRSPs) and in implementing macroeconomic reforms has delayed the process of moving some African countries from the decision point to the completion point. At the same time, some of the countries that have reached the completion point have witnessed deterioration in their debt indicators, a situation attributable to a decline in their export earnings, often caused by volatile commodity prices. Moreover, some heavily indebted countries are still spending more on servicing their debt than on the health and education of their citizens. There is thus an urgent need to support the effort of African HIPC countries to achieve debt

sustainability. In addition, it is essential that efforts be made to address the problems of several non-HIPC-eligible African countries with significant external debt burdens.[11]

38. While the measures to untie aid in the past year represent a step in the right direction, the two most important components of aid in many developed countries — food aid and technical assistance — for most countries remain tied, implying that there are more efficiency gains to be realized for Africa and other developing countries by untying those components.

39. In the area of trade, the lack of progress has been reflected in the missed deadlines for World Trade Organization negotiations on key issues of importance and interest to Africa such as market access, agricultural subsidies, trade-related aspects of intellectual property rights and public health. In addition, there is a need to agree on the implementation of the provisions of special and differential treatment.[12] The loss of export earnings by African countries brought about by the absence of reforms in the agricultural subsidies in the developed countries and the volatility of commodity prices have shown no sign of amelioration.

IV. Support by the United Nations system

40. In implementing existing or in drawing up new work programmes, the entities of the United Nations system have taken steps to support the New Partnership for Africa's Development, as requested by the General Assembly in its resolutions 57/7 and 57/297.

Progress

41. Several agencies and organizations of the United Nations system have aligned their activities with the priorities of NEPAD. This has been reflected both in the financial outlay to NEPAD-related activities and priorities and in support for the development of plans in specific priority sectors of NEPAD. For example, the United Nations Development Programme (UNDP) has provided financial support to the NEPAD secretariat to develop its five-year strategic plan and to the Commission of the African Union to support its peace and security agenda. The United Nations Environment Programme (UNEP) provided resources to support the effort to develop the NEPAD action plan on the environment that was adopted by the African Ministerial Conference on the Environment. The Food and Agriculture Organization of the United Nations (FAO), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD) helped in developing the plan for comprehensive African agricultural development. In addition, FAO has undertaken measures aimed at raising awareness on the food security situation in Africa and at providing technical capacity-building through its advisory services. FAO and IFAD have also provided forums for African countries to articulate their priorities in the food sector.

42. The Economic Commission for Africa has been actively involved in developing the codes and standards on economic and corporate governance for the African Peer Review Mechanism. ECA is also currently undertaking joint technical work with the secretariat of the Organisation for Economic Cooperation and

Development, aimed at developing an institutional framework for mutual accountability and policy coherence in response to a request from the NEPAD Heads of State and Government Implementation Committee. The United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC) and the World Trade Organization have launched the second phase of the Joint Integrated Technical Assistance Programme to Selected Least Developed and Other African Countries (JITAP) and have extended it to eight additional African countries. Furthermore, UNCTAD has also made a major contribution to the development of the NEPAD market access initiative. The NEPAD sustainable city programme, developed with the support of the United Nations Human Settlements Programme (UN-Habitat), has been endorsed by the Implementation Committee of NEPAD. It will be implemented initially in seven cities.

43. Using the existing programming and coordination mechanisms, the United Nations system has developed an operational framework to support NEPAD, organized in three tiers: national, regional and global. At the national level, the main framework will be the United Nations Development Assistance Framework and the common country assessment, which would be complemented, as appropriate, by the PRSPs, where they exist. The regional consultative meeting of the United Nations agencies working in Africa, convened by ECA, is the framework for coordination and collaboration among the entities of the United Nations system at the regional level. The regional consultative meeting established five clusters, convened by the agencies indicated: (a) infrastructure development: water and sanitation, energy, transport and information and communications technologies (ECA); (b) governance, peace and security (UNDP); (c) agriculture, trade and market access (FAO); (d) environment, population and urbanization (UN-Habitat); (e) human resource development, employment and HIV/AIDS (UNICEF) (E/AC.51/2003/6, para. 11).

44. The cluster approach is a vehicle for coordinated response by the United Nations system, designed to enable agencies and organizations of the United Nations system to pool their efforts in support of NEPAD. All five clusters have met at least twice within the last year and a consolidated report of their activities was submitted to the forty-third session of the Committee for Programme and Coordination in June 2003. The report, entitled "Future engagement of the United Nations system with the New Partnership for Africa's Development",[13] provided the first assessment by the Secretary-General of the nature and scope of the activities of the United Nations system in support of NEPAD.

45. Many agencies are engaged in human and institutional development efforts in support of NEPAD as well as pursuing close collaboration with regional and subregional organizations. To improve capacity-building in Africa, the International Monetary Fund (IMF) has established regional technical assistance centres in West and East Africa. In order to encourage private investment in Africa, the World Bank and IMF are assisting a few pilot countries in establishing investors' councils in which high-level government and business executives can discuss investment needs and impediments. WFP has been implementing an innovative school-feeding programme in 35 African countries. The United Nations Educational, Scientific and Cultural Organization has joined the World Food Programme in implementing a new parallel programme on enabling education in Africa, designed to provide 40 million out-of-school children with a primary education. Building on this UNESCO/WFP multi-country programme framework, other United Nations agencies including FAO,

the World Health Organization (WHO), UNICEF and the United Nations Population Fund (UNFPA) are working to extend complementary programmes in health, water and sanitation. The Office of the United Nations High Commissioner for Refugees has developed a standard humanitarian recovery framework for Africa that would be added to peace agreements with the objective of safeguarding the human and civil rights of refugees and internally displaced persons. The Office of the High Commissioner for Human Rights is taking the lead on ensuring the implementation of NEPAD, using a rights-based approach, and the Office was involved in the development of indicators, codes and standards for democracy and political governance.

46. Various entities of the United Nations system are working with African regional and subregional organizations on policy issues within the mandates of individual agencies. UNAIDS is working with the NEPAD secretariat as well as regional organizations in implementing policy and working-level initiatives for combating HIV/AIDS at all levels in Africa. WHO has been active in promoting and integrating NEPAD health and infrastructure priorities into its regional and national-level programmes and in providing support to regional organizations such as the AU for implementing the New Partnership for Africa's Development. The Department for Disarmament Affairs has been collaborating with the AU to support NEPAD by implementing the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects.[14] The Department of Peacekeeping Operations is working closely with regional organizations such as the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC) and the Intergovernmental Authority on Development (IGAD) in handling specific conflict situations in those regions. The Department of Political Affairs is supporting the effort by the Commission of the African Union to strengthen its conflict prevention, management and resolution capacity.

47. UNIDO is supporting a programme on the establishment of regional standardization and quality promotion in eight countries of the West African Economic and Monetary Union. As co-chair of the cluster on human resource development, employment and HIV/AIDS, the International Labour Organization (ILO) is supporting the New Partnership's priorities through its decent work agenda and by promoting labour standards and rights at work, employment, social protection and social dialogue, in collaboration with organizations such as ECOWAS and SADC and with employers and workers' organizations. The secretariat of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa,[15] has collaborated with various subregional organizations in Africa on desertification issues. The International Civil Aviation Organization supports the air transport programmes of SADC, the Common Market for Eastern and Southern Africa and the East African Community.

48. The Information and Communication Technologies (ICT) Task Force puts particular emphasis on Africa. The aim is to work closely with African-led initiatives to promote sustainable applications of information and communication technologies to Africa's development needs and goals. The Task Force has decided to serve as a strategic partner in the following three major areas: supporting innovative programmes and research and development in information and communication technologies in Africa; harnessing synergies and linking the vast

number of ICT initiatives both within Africa and between Africa and other continents; providing a framework for defining collaboration between NEPAD and the African Information Society Initiative (AISI).

49. Pursuant to General Assembly resolutions 57/2 and 57/300, the Secretary-General established the Office of the Under-Secretary-General and Special Adviser on Africa, effective 1 May 2003. The Special Adviser's mandate includes coordinating global advocacy in support of NEPAD, coordinating all reports to the General Assembly and the Economic and Social Council on NEPAD and following up on the recommendations of global conferences and summits as they relate to Africa. The Office serves as the focal point for NEPAD at United Nations Headquarters. The Office will also provide support, in collaboration with the Economic Commission for Africa, to the Secretary-General in promoting a coordinated, system-wide response in support of Africa's development, particularly the implementation of the New Partnership, through the United Nations System Chief Executives Board for Coordination (CEB).

50. As the main mechanism for inter-agency consultation and coordination, the CEB provides oversight and policy guidance to the entities of the United Nations system in their support for Africa's development. Support for the New Partnership for Africa's Development has been on the agenda of the CEB since 2001. The CEB regularly reviews policy guidelines designed to maintain the United Nations system's engagement in Africa and periodically assesses the progress of the work of the entities of the United Nations system to advance the objectives and goals of NEPAD.

51. The United Nations advocacy programme on behalf of NEPAD operates on the national, regional and international levels. Within African countries, United Nations agencies and information centres are supporting the NEPAD secretariat in popularizing the New Partnership and increasing local awareness and ownership of the programme. Department of Public Information activities on Africa are now oriented to support NEPAD. The Department works with African and global media, donors and influential civil society organizations to give visibility to NEPAD. *Africa Recovery*, a publication of the Department of Public Information, highlights and examines policies that have an impact on Africa's chances of meeting the goals of NEPAD. A global advocacy strategy for NEPAD, drawing on the activities of the United Nations system, is being developed as a collaborative effort by the newly established Office of the Special Adviser on Africa, the Economic Commission for Africa and the Department of Public Information.

Challenges and constraints

52. The growing collaboration among the entities of the United Nations system in support of the New Partnership for Africa's Development and the individual support that each agency, programme, fund or organization has extended to NEPAD, within its mandates, is encouraging. Much remains to be done, however, on a number of issues. By far the most important challenge is to bring about greater coherence and coordination in the work of the various agencies, many of which have ongoing programmes at the country and regional levels. One obvious and important way of remedying this is to strengthen and make ample use of the annual regional consultation meetings chaired by ECA as a platform for achieving system-wide

coherence and effectiveness in support of NEPAD at the subregional and regional levels. In this regard, the cluster arrangement provides a useful organizing framework for the work of each United Nations entity. In addition, the thematic clusters need to identify synergies in their individual programmes and convert them into opportunities for cross-sectoral collaboration. Cross-cutting issues such as HIV/AIDS, gender and human rights should be mainstreamed into all cluster activities. Science and technology is an important area around which a thematic cluster or sub-cluster would be established. The last regional consultation meeting, held in May 2003, agreed that an informal group of agencies, to be led by UNESCO, should be set up to work with NEPAD and to review the possibility of creating a new cluster or sub-cluster in that area. Given the important role that they would play in implementing NEPAD, there is a growing awareness of the need for the United Nations system to assist in strengthening the capacity of the regional economic communities, the NEPAD secretariat and the Commission of the African Union.

V. Response of other stakeholders

53. The private sector and civil society are important stakeholders in Africa's development. Their participation in the implementation of the New Partnership for Africa's Development was encouraged in General Assembly resolution 57/7.

Progress

54. The private sector both within and outside Africa has responded favourably to the NEPAD initiative and during the past year undertook several activities to strengthen its involvement in its implementation. A NEPAD Business Group has been formed, which would act as a vehicle to promote cooperation between NEPAD and the private companies that support the objectives of the New Partnership. Specifically, the Group will share information on trade and investment opportunities in Africa and encourage private sector involvement in NEPAD and other projects. Comprised of leading business organizations both within and outside Africa, the Group includes the International Chamber of Commerce, the African Business Round Table, the Business Humanitarian Forum, the Commonwealth Business Council, the *Conseil Français des Investisseurs en Afrique*, the *Forum Francophone des Affaires* and the International Business Leaders Forum. To give practical effect to its commitment to supporting NEPAD, members of the NEPAD Business Group co-sponsored the third annual International Chamber of Commerce Africa Regional Meeting held in Yaoundé, Cameroon, from 30 to 31 March 2002. Convened under the theme of "Development through wealth creation", the meeting devoted a plenary session to a business-NEPAD dialogue, which examined ways that business could participate in the implementation of NEPAD priorities.

55. Moreover, the African Business Round Table, in collaboration with UNIDO and other sponsors, organized the NEPAD-ECOWAS Business Forum in Abuja, Nigeria, from 3 to 5 March 2003. The meeting underlined the need for more forums modelled on the Abuja meeting, for business associations to disseminate information on NEPAD and for promoting the establishment of business consultative groups to monitor the recommendations of the forum.

56. Building on its 2002 theme, "NEPAD at work: business engages the New Partnership for Africa's Development", the Africa Economic Summit 2003 of the World Economic Forum, held in Durban, South Africa, in June, was devoted to the theme of "Harnessing the power of partnership". The main objective was to examine how business could play its part in NEPAD implementation and assist African Governments, particularly in bridging the gaps in capacity, resources and expertise to meet the challenges facing African economies. Concrete outcomes of the Summit included the launching of the NEPAD E-Schools Initiative with the aim of bridging the digital divide and the release of the Public Institutions Index as part of the *Africa Competitiveness Report, 2003-2004*,[16] a publication designed to shed light on Africa's business environment, with a view to drawing attention to the opportunities for and constraints on private investment in the region.

57. As part of the effort to enhance the involvement of the private sector and civil society in the implementation of NEPAD, the Office of the Special Adviser, in collaboration with the United Nations Development Programme in Accra, organized a regional workshop on mobilizing support for the New Partnership for Africa's Development: the role of the private sector and civil society, which was held in Accra from 28 to 30 May 2003. The main objective was to explore innovative ways of deepening the participation of the private sector and civil society in the NEPAD process and to strengthen the interface between Government on the one hand and the private sector and civil society on the other.

58. At the Accra meeting, the private sector group stressed the need to establish an effective formal mechanism at the national level to engage the private sector in the implementation of NEPAD; to create a sound and effective legal and regulatory framework for private sector development; to establish public-private partnerships to implement a range of NEPAD programmes; and to mobilize resources through the imposition of a one-time "solidarity tax" for the implementation of NEPAD.

59. Initially critical of the process of articulating NEPAD, civil society and non-governmental organizations are gradually coming to the realization that they can make an important and constructive contribution to the implementation of NEPAD. This recognition was reflected at the Accra meeting, where the civil society organizations placed emphasis on popularizing NEPAD through such channels as the media (both visual and print), conferences, seminars, dialogue, policy, and research analysis and advocacy; on establishing national NEPAD forums consisting of representatives from civil society, private sector and Government to conduct a dialogue on NEPAD; on elaborating national development plans using the NEPAD framework; and on establishing mechanisms that could be used for the monitoring, evaluation and identification of national priorities within NEPAD. Furthermore, an African civil society meeting held in Maputo from 27 June to 2 July 2003 and convened by the Forum for African Civil Society, a newly formed umbrella association for African civil society organizations, underlined the importance of the inclusion of African civil society in the decision-making and consensus-building processes of the African Union and the New Partnership for Africa's Development and in the dialogue between civil society and the NEPAD secretariat.

Challenges and constraints

60. The meetings and forums held over the past year are illustrative of the effort that the private sector and civil society, including non-governmental organizations, are making to be active participants in the NEPAD process. They have also helped to highlight the challenges and constraints that the private sector and civil society face in supporting the implementation of NEPAD.

61. Several factors continue to impede private sector development in Africa. They include the prevailing poor policy environment in most African countries; the weak institutional mechanisms for policy dialogue and consultation between the corporate sector and the Government in a number of African countries, resulting in insufficient exchange of information on their respective NEPAD-related activities; the poor infrastructure facilities in many countries which hinder business activities; the lack of an enabling governance environment; and the limited use of public-private partnerships for addressing a whole range of NEPAD priorities.

62. The major constraints for civil society are a lack of communication between and among civil society organizations, Government and the private sector on the one hand and between civil society organizations and the NEPAD secretariat on the other; a lack of resources for participating in the implementation of NEPAD; poor coordination and synergy among civil society organizations in their engagement with NEPAD; and the current tendency of African Governments to cooperate mainly with those civil society organizations and non-governmental organizations that are created or financed by donors or government departments, while often neglecting others.

VI. Conclusion and recommendations

63. **Africa's ownership and leadership of the New Partnership for Africa's Development represents an important and welcome reassertion of the principle of responsibility for its development. The support of the international community is an important expression of solidarity and partnership. However, much remains to be done in moving forward with the implementation of NEPAD. Bold actions are required on the part of all stakeholders to address the various challenges and constraints that have been identified. The United Nations system is committed to strengthening collaboration and coordination among its components in order to provide the necessary support for the effective implementation of NEPAD.**

64. **With a view to nurturing the process of implementing NEPAD and to sustaining and deepening the support of Africa's development partners for NEPAD, some proposals are submitted for consideration:**

- **African countries will need to take the necessary measures to integrate NEPAD priorities into their development process. The action required extends beyond the establishment of national focal points. It also includes ensuring adequate funding for NEPAD policy priorities, developing sound programmes around designated priorities and creating effective political and public support for the priorities.**

- **Africa's development partners have already responded favourably to NEPAD. It is essential that they strive to achieve coherence and complementarity in their trade and aid policies. Steps should also be taken to disburse already pledged resources.**

- **The private sector and civil society should be encouraged to adopt a proactive orientation towards NEPAD. At the same time, Governments are urged to facilitate the involvement and active participation of the private sector and civil society entities in the implementation of the New Partnership.**

Notes

[1] A/57/304, annex.

[2] "Progress report of H.E. Chief Olusegun Obasanjo, President of the Federal Republic of Nigeria and Chairperson of the NEPAD Heads of State and Government Implementation Committee (HSGIC) to the second ordinary session of the Assembly of the Heads of State and Government of the African Union" (Assembly/AU/Rpt [II]); and "Declaration on the Implementation of the New Partnership for Africa's Development (NEPAD)" (Assembly/AU/Decl.8 [II]).

[3] The commentary on the African Peer Review Mechanism draws on the following NEPAD documents: "Memorandum of Understanding on the African Peer Review Mechanism", 9 March 2003; "African Peer Review Mechanism organisation and processes", 24 February 2003; "Objectives, standards, criteria and indicators for the African Peer Review Mechanism", 24 February 2003.

[4] The African peer review panel has been appointed. It currently consists of seven persons. The panel was inaugurated by President Thabo Mbeki of South Africa and held its first working session in Cape Town from 25 to 27 July 2003.

[5] This figure is an estimate and assumes a 5 per cent growth rate in ODA in 2002 over 2001, observed in the aggregate flows to all developing countries. The final figure could be slightly higher.

[6] See "Implementation report by Africa personal representatives to leaders on the G8 Africa Action Plan" (2 June 2003), available from http://www.g8.fr/evian/english.

[7] See "Millennium Challenge Account update", Fact Sheet, 3 June 2002, available from http://www.usaid.gov/press/releases/2002/fs_mca.html.

[8] Based on data for 2001 from the Organisation for Economic Cooperation and Development, Development Assistance Committee.

[9] The Commission of the European Union has selected four pilot countries for the harmonization process, including two African countries, Morocco and Mozambique. Donors have also launched a harmonization project in Zambia.

[10] According to the *Human Development Report, 2003* (New York, Oxford University Press, 2003), unless things improve, it will take sub-Saharan Africa until 2129 to achieve universal primary education, until 2147 to halve extreme poverty, until 2165 to cut child mortality by two thirds, and for hunger no date can be set because the situation continues to worsen.

[11] ECA will hold an international conference on African debt relief in 2004 in order to think beyond the HIPC initiative and come up with new policies and instruments for reduction of Africa's debt burden.

[12] African countries have expressed their concerns on these issues through declarations adopted on the Fifth Ministerial Conference of the World Trade Organization: by the African Union summit held in Maputo from 10 to 12 July 2003 (Assembly/AU/Decl.4 [II]); and by the ministerial meeting held in Grand Baie, Mauritius, from 19 to 20 June 2000.

[13] E/AC.51/2003/6. The report was based on information available as of March 2003.

[14] *Report of the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects, New York, 9-20 July 2001* (A/CONF.192/15).

[15] United Nations, *Treaty Series*, vol. 1954, No. 33480.

[16] New York, Oxford University Press, forthcoming.